



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

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IN REPLY PLEASE
REFER TO FILE: **PM-1**

October 24, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**LOS PADRINOS JUVENILE HALL - HOUSING UNITS PROJECT
AWARD DESIGN-BUILD AGREEMENT
AWARD MATERIALS TESTING AND INSPECTION AGREEMENT
APPROVE DISPUTES REVIEW BOARD AGREEMENT
SPECS. 5498; C.P. 77460
SUPERVISORIAL DISTRICT 4
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND THE
CHIEF PROBATION OFFICER THAT YOUR BOARD:**

1. Find that Turner/GKK Joint Venture, although not the lowest cost proposal, provided the best value and most advantageous proposal based on the weighted criteria stated in the Request for Proposals, including qualifications, proposed work plan and schedule, proposed cost, and oral presentation, for the reasons set forth in Enclosure B.
2. Award a design-build agreement with Turner/GKK to provide design and construction of the Los Padrinos Juvenile Hall - Housing Units project for a lump sum amount not to exceed \$25,868,614 to be funded by a State Grant issued through the Board of Corrections and County matching funds.

3. Authorize the Director of Public Works to prepare and execute the agreement in the form previously approved by County Counsel and to establish the effective date following receipt of approved Faithful Performance and Labor and Materials Bonds filed by the design-build entity.
4. Authorize the Director of Public Works to administer the agreement and deliver the project.
5. Award and authorize the Director of Public Works to execute an agreement with Kleinfelder to provide materials testing and inspection services for the Los Padrinos Juvenile Hall - Housing Units project for a not to exceed amount of \$279,881 to be funded by a State Grant issued through the Board of Corrections and County matching funds and establish the effective date following Board approval.
6. Authorize the Director of Public Works to execute a three-party agreement with Turner/GKK and three selected Disputes Review Board members to provide disputes review services for the Los Padrinos Juvenile Hall Housing Units project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will authorize the County to proceed with the design and construction of two housing units and an addition to the parking structure at Los Padrinos Juvenile Hall.

Recommended Design-Build Selection

On August 7, 2001, your Board approved, in concept, a project delivery method using site-adapted plans from the Central Juvenile Hall Housing Units project. On January 15, 2002, your Board approved the use of a two-part competitive qualifications-based selection process to determine the successful design-build proposer to ensure the project's completion prior to the BOC grant deadline of June 30, 2004.

Part A of the selection process was designed to ensure that proposing design-build teams met minimum requirements for applicable experience with detention facility and State Board of Correction-funded projects and financial capacity. On March 13, 2002, three Part A proposals were received and evaluated by a panel from the CAO, Probation, and

Public Works. All three firms met the qualifications listed in the RFP. On June 13, 2002, the three firms were invited to participate in Part B of the proposal process.

Part B of the selection process was designed to determine the most advantageous proposal for design and construction of the project through a review of each project team's organization and proposed work management plans, work schedules, and construction fees. Based on this evaluation, Turner/GKK's proposal was selected as the most advantageous to the County.

Turner/GKK did not offer the lowest construction cost proposal, and pursuant to Section 4526 of the Government Code, proposed design fees were not considered in the selection of the design-build team. The balance and organization of the Turner/GKK project team, however, along with the clarity of their work management plan, the availability of additional resources, and their recent experience as a team on other BOC-funded detention facility projects, fully supports their selection. A more detailed analysis of the evaluation process and the reasons for the recommended selection are provided in Enclosure B.

Under Section 20134 (f) of the Public Contract Code, approval of the recommended design-build agreement to Turner/GKK will also require that your Board state the reasons that the lowest construction cost proposal was not selected. Your Board's approval of the recommended actions will satisfy this requirement for the reasons detailed in Enclosure B.

Recommended Consultant Agreements

The recommended consultant services agreement with Kleinfelder will provide materials testing and inspection services to ensure that materials used in the construction of the project are in compliance with the plans and applicable codes. The proposed construction-related support services will include testing and monitoring of soils, concrete, structural steel, and structural masonry.

The recommended Disputes Review Board will provide a mechanism that will facilitate the resolution of disputes between the County and Turner/GKK during the project's construction and thereby help avoid claims and related impacts to the project schedule. The three-member DRB will be comprised of independent design and construction professionals mutually selected by the County and Turner/GKK. The DRB will meet once a month and/or as needed when disputes arise at the project site.

Implementation of Strategic Plan Goals

These actions meet the County Strategic Plan Goals for Fiscal Responsibility and Service Excellence by investing in public infrastructure resulting in a reduction of overcrowded conditions by increasing the juvenile hall's bed-rating capacity. The project also satisfies the goal of Workforce Excellence by creating an improved and more secure work environment.

FISCAL IMPACT/FINANCING

The recommended agreement with Turner/GKK reflects a lump sum not to exceed fee of \$25,868,614. This fee amount represents a savings of \$4,000,000 from previous estimates. The recommended consultant agreements with Kleinfelder and the DRB are for not to exceed fees of \$279,881 and \$75,000, respectively. Despite the savings in the agreement with Turner/GKK, it is recommended that the total project budget, including construction, equipment, design, consultant fees, and County services, be maintained at \$37,067,000, which is the project budget previously authorized by your Board. The savings will be used to:

- Provide \$48,234 to include a 12 percent contingency for design services.
- Offset \$75,000 in utility connection fees and \$290,000 in construction parking shuttle and security costs which were previously included in the construction budget.
- Provide \$160,704 to include DRB services and additional materials testing and inspection.
- Provide \$40,500 to increase jurisdictional review and plan check fees to facilitate multiple design-build permit packages.
- Provide \$695,252 to increase project management, documentation control, and building inspection services to levels that will be required to meet the compressed design-build construction schedule and that are consistent with our current experience with construction at the Central Juvenile Hall Housing Units project.

The project is funded by a \$24,120,000 State Grant issued through the BOC and County matching funds of \$12,947,000. Based on our experience with unforeseen site conditions during the construction of the Central Juvenile Hall Housing Units project, we are

recommending that \$2,738,696 be retained as a contingency within the project appropriation until underground site work is completed. Should it be necessary to utilize these funds, we will return to the Board for approval. To the extent these funds are not required to address unforeseen conditions, they will be returned to the General Fund.

Sufficient funds are available in the Fiscal Year 2002-03 Capital Project 77460 for awarding these recommended agreements. In addition to the County match, \$750,000 for equipment and furnishings will be required no later than Fiscal Year 2003-04 and will be absorbed by the Probation Department's operating budget.

The project Schedule and Budget Summary are included in Enclosure A.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A design-build contract and a standard consultant services agreement, in forms previously approved by County Counsel, will be used. The standard Board-directed clauses that provide for contract termination, renegotiation, and hiring qualified displaced County employees will be included in the contracts.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, Turner/GKK and Kleinfelder are willing to consider Greater Avenues for Independence Program participants for future employment.

The project specifications contain provisions requiring Turner/GKK and Kleinfelder to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

To ensure that the design-build contract and consultant services agreement are awarded to qualified responsible entities with a satisfactory history of performance, proposers are required to report violations of the False Claims Act, their civil litigation history, and information regarding prior criminal convictions. The information reported was considered before making this recommendation to award.

As required by your Board, language has been incorporated into the project specifications stating that Turner/GKK and Kleinfelder shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under Federal income tax laws.

Turner/GKK and Kleinfelder are in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

ENVIRONMENTAL DOCUMENTATION

On October 1, 2002, your Board approved the Mitigated Negative Declaration and adopted the Mitigation Monitoring and Reporting Program for the project.

CONTRACTING PROCESS

Design-Build

On January 15, 2002, your Board approved the design-build qualifications-based selection process and requests for proposals were made available to the public.

On September 18, 2002, the proposal submitted by Turner/GKK was selected by the panel from the CAO, Probation, and Public Works as the most advantageous proposal based on the cumulative score of their qualifications (30 percent), proposed work plan and schedule (30 percent), oral presentation (15 percent), and proposed construction cost, excluding design costs (25 percent). Public Works negotiated a design fee of \$1,820,614 with Turner/GKK. Therefore, the not to exceed lump sum design-build proposal for this project is \$25,868,614. The proposal results are summarized in Enclosure B.

As requested by your Board on February 3, 1998, this contract opportunity was listed on the Office of Small Business website.

Materials Testing and Inspection

On January 31, 2002, proposals for materials testing and inspection services were requested from eight firms. On February 25, 2002, six firms submitted proposals for review and evaluation. The proposals were evaluated by a panel of engineering staff from Public Works based on technical expertise, proposed work plan, experience, personnel qualifications, and understanding of the work requirements. These evaluations were completed without regard to race, creed, color, or gender. Based on the review and evaluation of the proposals, the evaluation committee found that Kleinfelder was the best qualified consultant for the project.

Kleinfelder has agreed to provide the services for a total not to exceed fee of \$279,881. The negotiated fee has been reviewed by Public Works and is considered reasonable for the scope of work.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to this contract as this contract is for non-Proposition A services.

Participation by Community Business Enterprises in the project is encouraged through Public Works' Capital Projects CBE Outreach Program and by monitoring the good faith efforts of consultants to utilize CBEs.

Disputes Review Board

Upon your Board's approval of the recommended award of a design-build agreement to Turner/GKK, Public Works and Turner/GKK will each select one member of the DRB. A third member will then be chosen by the two selected members to complete the DRB. With the exception of fee-based consulting services on other projects, no member shall have been employed by either the County or Turner/GKK within the past two years. A three-party agreement will be executed between the County, Turner/GKK, and the DRB for disputes review services.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approximately 56 wards will be temporarily relocated to other facilities or to alternate housing units at Los Padrinos Juvenile Hall. The project specifications include language instructing the contractor to coordinate the construction activities and schedule with Probation and Public Works to minimize impacts or disruption of operations. Probation is aware of the anticipated impacts on the facility and is prepared to modify its current operations in support of this construction. All construction activities will be closely monitored to ensure the safety and security of the wards and staff at Los Padrinos Juvenile Hall.

The Honorable Board of Supervisors
October 24, 2002
Page 8

CONCLUSION

Please return one adopted copy of this letter to the CAO (Capital Projects Division), Probation, and Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

RICHARD SHUMSKY
Chief Probation Officer

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Enc.

cc: Auditor-Controller
County Counsel
Department of Public Social Services (GAIN Program)
Office of Affirmative Action Compliance

October 24, 2002

ENCLOSURE A

**LOS PADRINOS JUVENILE HALL - HOUSING UNITS PROJECT
AWARD DESIGN-BUILD AGREEMENT
AWARD MATERIALS TESTING AND INSPECTION AGREEMENT
APPROVE DISPUTES REVIEW BOARD AGREEMENT
SPECS. 5498; C.P. 77460**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date	Revised Completion Date
Project Needs Assessment	10/30/00*	
Project Definition Documents	12/05/01*	
Design-Build Contract Award	10/29/02	11/05/02
Environmental Documentation	10/01/02*	
Construction Notice to Proceed Completion Acceptance and BOC Grant Deadline	11/06/02 04/01/04 06/30/04	11/13/02
Occupancy	09/01/04	

* Indicates completed activities.

II. PROJECT BUDGET SUMMARY

Budget Category	Project Budget	Impact of this Action	Revised Project Budget
Land Acquisition	-0-	-0-	-0-
Design-Build Contract			
(a) Construction	\$ 27,495,000	(\$3,447,000)	\$24,048,000
(b) Design	\$ 2,422,000	(\$ 601,386)	\$ 1,820,614
Subtotal	\$ 29,917,000	(\$4,048,386)	\$25,868,614
(c) Change Orders	\$ 3,056,000	\$ 48,234	\$ 3,104,234
Subtotal	\$ 32,973,000	(\$4,000,152)	\$28,972,848
Construction Related Expenses			
(a) Utility Connection Fees	-0-	\$ 75,000	\$ 75,000
(b) Parking Shuttle/Security	-0-	\$ 290,000	\$ 290,000
Subtotal	-0-	\$ 365,000	\$ 365,000
Consultant Services	\$ 1,123,730	\$ 160,704	\$ 1,284,434
Miscellaneous Expenditures			
(a) Fees	\$ 66,000	-0-	\$ 66,000
(b) Printing, Public Notices	\$ 33,000	-0-	\$ 33,000
Subtotal	\$ 99,000	-0-	\$ 99,000
Jurisdictional Review and Plan Check	\$ 125,000	\$ 40,500	\$ 165,500
County Services	\$ 2,746,270	\$ 695,252	\$ 3,441,522
TOTAL	\$ 37,067,000	(\$2,738,696)	\$34,328,304
Pre-grant application work (FY 2000-01)*	\$ 42,000	-0-	\$ 42,000
FF & E	\$ 750,000	-0-	\$ 750,000
Project Definition Documents	\$ 387,080	-0-	\$387,080

*These costs were financed by the Probation Department's operating budget.

October 24, 2002

ENCLOSURE B

LOS PADRINOS JUVENILE HALL - HOUSING UNITS PROJECT AWARD DESIGN-BUILD AGREEMENT AWARD MATERIALS TESTING AND INSPECTION AGREEMENT APPROVE DISPUTES REVIEW BOARD AGREEMENT SPECS. 5498; C.P. 77460 REASONS FOR SELECTION

SUMMARY

The proposal submitted by Turner/GKK was evaluated and determined to be the most advantageous based on their superior project experience, work management plan, schedule of work, cost proposal, and oral presentation. Although the construction cost proposal submitted by Turner/GKK was not the lowest, it was the most inclusive and most closely reflected Public Works' fair design-build construction cost estimate for the project. In addition, Turner/GKK's construction cost proposal for the Los Padrinos Juvenile Hall Housing Units project and the successful low bid for the Central Juvenile Hall Housing Units Replacement project were both based on the same plans and were only \$3,000 apart.

EVALUATION CRITERIA

Organization of Design-Build Entities

The legal entities of the design-build teams that submitted proposals are a joint venture for Turner/GKK and two unspecified associations for Hensel Phelps/Carrier Johnson and PCL/Gruen. The Turner/GKK joint venture was evaluated to be the most advantageous because responsibilities and obligations within the team for completion of the project were clearly defined.

Capacity and Capability

The proposers provided evidence of bonding capacity, liability insurance, and errors and omissions insurance. Only Turner/GKK provided individual financial statements for Turner Construction and GKK Corporation for the last three years as requested.

Project Experience

The RFP requested evidence that the key personnel and the project team have completed detention projects of similar size, scope, or complexity with the BOC and Los Angeles County.

Although all of the proposers had sufficient experience on similar projects, Turner/GKK has greater experience working as a team. Turner's proposed project manager and superintendent for this project are in the closeout process of a \$17,000,000 BOC grant project for the Southwest Justice Center Juvenile Facility in Murrieta, California, and GKK did earthquake repairs and retrofitting work at Central Juvenile Hall in Los Angeles County.

Hensel Phelps/Carrier Johnson's last design-build partnership with BOC work was in San Diego County in 1997. Carrier Johnson has no experience on projects in Los Angeles County.

PCL/Gruen's experience in correction and prison facilities is mostly outside of California with one site grading and utilities project for the California State prison system completed by PCL in 1994. Gruen has no experience with BOC projects.

Work Management Plan

The proposers submitted a work management plan with narrative and graphic descriptions of their plan of action. Turner/GKK was the only proposer to include a QA/QC process during construction and additional manpower resources such as a Certified Auditor with the American Correctional Association and a former project manager with the Indiana Department of Correction New Prison Program.

Schedule of Work

The proposers provided project schedules including design and construction activities and milestones. The schedule proposed by Turner/GKK was evaluated as the best because it was the only one to start and finish on the dates prescribed by the County and because it included the most contingency days for inclement weather and unforeseen conditions.

Builder's Fee Proposal

The proposers provided a design-builder's fee for coordination of the design and construction of the project. Two of the proposals including the one from Turner/GKK provided the builder's fee as specified in the RFP and both were less than 2.5 percent of the total proposed construction cost.

Cost Proposal

The proposers each submitted construction cost proposals which were compared to the County's fair design-build cost estimate and to the successful low bid for the Central Juvenile Hall - Housing Units Replacement project. All cost proposals were below the County's fair design-build cost estimate, and Turner/GKK's proposal was only \$3,000 over the successful low bid amount for the Central Juvenile Hall - Housing Units Replacement project. In addition, unlike the other proposals, the cost proposal provided by Turner/GKK did not include unapproved equals or substitutions and the cost reflected the accelerated construction schedule meeting the County's start and completion dates.

Oral Presentation

On August 15, 2002, each proposer provided an oral presentation to the evaluation committee. Turner/GKK showed superior organization and creativity with their presentation. Their extensive knowledge of the project was characterized by an innovative solution to a difficult site drainage condition. Their work management approach includes a unique Logistics Unit which will facilitate on-time procurement of materials.

Conclusion

The scores of the evaluation panel were totaled and Turner/GKK provided the most advantageous proposal overall, followed by Hensel Phelps/Carrier Johnson and PCL/Gruen Associates in second and third, respectively.

COST COMPARISON

The following table compares the construction cost proposals received on the Los Padrinos Juvenile Hall Housing Units project with the bids received on the Central Juvenile Hall Housing Units Replacement project. The cost proposals and bids were both based on the plans for the Central Juvenile Hall Housing Units Replacement project.

Los Padrinos Juvenile Hall Housing Units	
<u>Proposer</u>	<u>Construction Cost Proposal</u>
Hensel Phelps/Carrier Johnson	\$20,466,000
PCL/Gruen Associates	\$21,230,000
Turner Construction/GKK	\$24,048,000
Central Juvenile Hall Housing Units Replacement	
<u>Bidder</u>	<u>Bid Amount</u>
Gordon and Williams	\$24,045,000
Bernards Brothers	\$26,091,000
FTR International	\$30,660,000